

Message Text

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ACTION NEA-10

INFO OCT-01 ISO-00 SP-02 USIA-06 AID-05 EB-07 NSC-05

CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00

COME-00 FRB-03 INR-07 NSAE-00 XMB-02 OPIC-03 LAB-04

SIL-01 AGR-05 /083 W

----- 066370

R 201531Z AUG 76

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 6262

C O N F I D E N T I A L SECTION 1 OF 2 CAIRO 11233

E.O. 11652: GDS

TAGS: EFIN, EG

SUBJECT: GOE FOREIGN EXCHANGE BUDGET DATA FOR 1976: REVISED
ACTUALS AND NEW FORECAST

REF: CAIRO 935

1. FOLLOWING IS SUMMARY OF TABULAR FOREIGN EXCHANGE
BUDGET DATA PROVIDED INFORMALLY TO EMBOFF IN
HANDWRITTEN FORM BY MINFIN OFFICIALS DURING
CALL AUGUST 19 BY VISITING OMB STAFF MEMBERS.
WE WERE TOLD INFORMATION WAS PREPARED VERY RECENTLY
FOR DICKIE OF IMF (AND THUS SUPERSEDES DATA CONTAINED IN REFTEL).

A. FOREIGN EXCHANGE BUDGET JAN-JUNE 1976-ACTUAL
(EGYPTIAN POUNDS)

FREE CURRENCY BILATERAL AGREE. TOTAL

1. RECEIPTS:

AGRICULTURE	55.2	102.0	157.2
INDUSTRY	72.5	74.1	146.6
INVISIBLES	104.1	3.5	107.6
KHARTOUM SUBS.	30.1	----	30.1
SUBTOTAL I	261.9	179.6	441.5

II. PAYMENTS:

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IMPORTS	574.5	124.9	699.4
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INVESIBLES	23.1	5.6	28.7
OBLIGATIONS--			
BANKING FACIL.	291.1	----	291.1
SUPPLIERS CRED.	88.5	----	88.5
OTHER	93.7	33.3	127.0
SUBTOTAL	473.3	33.3	506.6
SUBTOTAL II	1070.9	163.8	1234.7
III. DEFICIT OR			
SURPLUS	(-) 809.0	15.8	(-) 793.2
IV. FINANCING:			
BANKING FACIL.	279.9	----	279.9
SUPPLIER CRED	33.4	----	33.4
OTHER	527.7	----	527.7
SUBTOTAL IV	841.0	----	841.0
V. DEFICIT OR			
SURPLUS EXCLUDING			
PARALLEL MKT:	32.0	15.8	47.8

B. FOREIGN EXCHANGE BUDGET JULY-DEC 1976-PLANNED
(EGYPTIAN POUNDS)

I. RECEIPTS:

AGRIC	33.2
INDUSTRIAL	82.0
INVISIBLES	85.2
KHARTOUM SUBS.	30.1
SUBTOTAL I	230.5

II. PAYMENTS:

IMPORTS	801.7
INVISIBLES	30.2
OBLIGATIONS -	
BANK FACILITIES	408.0
SUPPLIER CREDIT	74.8
OTHER	99.6
SUBTOTAL	582.4
SUBTOTAL II	1414.3

III. DEFICIT OR

SURPLUS	(-) 1183.8
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IV. FINANCING:

BANK FACILITIES	275.0
SUPPLIERS CREDIT	16.5
OTHER	385.8 (INCLUDING JAN-JUNE BALANCE)
SUBTOTAL IV	677.3

V. DEFICIT OR

SURPLUS EXCLUDING

PARALLEL MKT. (-) 506.5

2. EXPLANATORY NOTES BREAK DOWN OTHER FINANCING UNDER ITEM
IV AS FOLLOWS:

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ACTION NEA-10

INFO OCT-01 ISO-00 SP-02 USIA-06 AID-05 EB-07 NSC-05

CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 CIAE-00

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R 201531Z AUG 76

FM AMEMBASSY CAIRO

TO SECSTATE WASHDC 6263

C O N F I D E N T I A L SECTION 2 OF 2 CAIRO 11233

	JAN.-JUNE	JULY-DEC
1. CASH RECEIPTS:		
SAUDI SUBSIDY (\$300M)		117.4
KUWAIT DEPOSIT (\$200M)		78.3
ABU DHABI DEPOST (\$7.5M)		2.9
ARAB AFRICAN BANK		
DEPOSIT (\$7M)	2.7	
NAT. BANK DEP. (\$45M)		17.6
USE OF SDRS	3.8	0.9
INTERNATIONAL FUND		56.3
OMAN SUBSIDY	1.6	
THIRD TRANCHE QATAR LOAN		9.8
WEST GERMAN LOAN (DM130M)		19.5
FOURTH TRANCHE OF ABU		
DHABI LOAN	19.6	
OTHER RECEIPTS	14.7	
BALANCE OF UAE SUBSIDY		
(\$225M, INCLUDING \$75M		
FROM QATAR)		88.8
BALANCE OF ADDITIONAL RECEIPTS		

AS OF JUNE 30	15.5	
IMI (SIC) LOAN BALANCE	3.5	
COTTON PREFINANCING	25.0	
SUBTOTAL I	344.2	133.7

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II. OTHER RESOURCES:

AID	7.2	158.0
IBRD LOAN	1.0	7.5
PL-480	34.3	43.8
CRDUE OIL FROM SAUDI ARABIA AND IRAN	19.6	
DEFERRED PAYMENT ON CAPITAL IMPORTS	36.0	43.2
CAPITAL THROUGH JOINT INVESTMENT COMPANIES	93.	
IMPORTS ACTUALLY PAID THROUGH 1975 FX BUDGET	76.1	
SUBTOTAL II	183.5	252.5
GRAND TOTAL	527.7	385.8

3. MOST SIGNIFICANT ITEM IN ALL THIS ARRAY OF FIGURES, OF COURSE, IS UNFINANCED DEFICIT OF LE506.5 MILLION (\$1,292 MILLION AT OFFICIAL RATE) EXPECTED SECOND HALF OF 1976 ACCORDING THESE CALCULATIONS, WHICH EVIDENTLY ARE BASIS FOR STATEMENTS TO THAT EFFECT OF MINFIN ABU ISMAIL AND OTHERS IN GOE.

4. ANOTHER NOTEWORTHY POINT CONCERNS BANK CREDIT FACILITY TRANSACTIONS. COMBINED ACTUAL FIRST-HALF 1976 AND PLANNED SECOND-HALF FIGURES SHOW NET REDUCTION OF LE144.2 MILLION EQUIVALENT IN SHORT TERM CREDIT UTILIZATION DURING COURSE OF YEAR: PAYMENTS (ACTUAL AND PLANNED) TOTAL LE699.1 MILLION, WHILE NEW SHORT TERM FINANCING TOTALS LE554.9. IMPORTS OF CONSUMER, INTERMEDIATE AND CAPITAL GOODS (ACTUAL AND PLANNED), HOWEVER, OUTWEIGH RECEIPTS FROM MERCHANDISE EXPORTS AND INVISIBLES BY RATIO OF FOUR TO ONE.

5. SIMILAR TABULAR INFORMATION WAS MADE AVAILABLE ON PLANNED JAN-JUNE 1976 AND ACTUAL 1975 FX BUDGET FIGURES. ALTHOUGH PORTIONS ARE PRACTICALLY ILLEGIBLE, WE WILL FORWARD BY POUCH ASAP. WE HAVE NO INDICATION THAT DATA ARE ANYTHING OTHER THAN WORKSHEETS PREPARED BY GOE TO PROVE NEED FOR IMF SUPPORT AND DOUBT THAT FIGURES WILL EVER BE PUBLISHED IN ANY OFFICIAL FORM. TOTALS NONETHLESS ARE INSTRUCTIVE AS TO MAGNITUDE OF FINANCIAL PROBLEM NOW FACING GOE.

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Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: GOVERNMENT BUDGET, FOREIGN EXCHANGE, BUDGET DATA
Control Number: n/a
Copy: SINGLE
Draft Date: 20 AUG 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ElyME
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976CAIRO11233
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D760320-0066
From: CAIRO
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760835/aaaabeei.tel
Line Count: 226
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION NEA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 5
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 76 CAIRO 935
Review Action: RELEASED, APPROVED
Review Authority: ElyME
Review Comment: n/a
Review Content Flags:
Review Date: 08 JUN 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 JUN 2004 by ellisoob>; APPROVED <13 OCT 2004 by ElyME>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: GOE FOREIGN EXCHANGE BUDGET DATA FOR 1976: REVISED ACTUALS AND NEW FORECAST
TAGS: EFIN, EG
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006